



U.S. DEPARTMENT OF JUSTICE  
UNITED STATES ATTORNEY  
WESTERN DISTRICT OF NEW YORK

FURTHER INQUIRIES: (716)843-5814

---

138 DELAWARE AVENUE  
BUFFALO, NEW YORK 14202

# PRESS RELEASE

February 10, 2004

## **COLORADO MAN PLEADS GUILTY TO A STUDENT LOAN SCHEME AFFECTING ROCHESTER BANK**

**RE: UNITED STATES v. SHANE BYBEE**

Michael A. Battle, the United States Attorney for the Western District of New York, together with John P. Higgins, Jr., the Inspector General of the United States Department of Education and William E. Kezer, Postal Inspector in Charge of the New York Division of the United States Postal Inspection Service announced today that Shane Bybee, age 27, of 3256 Capstan Way, Colorado Springs, Colorado, pleaded guilty in front of the Honorable David G. Larimer, United States District Court Judge, in connection with an indictment filed against him charging him with bank and student loan fraud. Specifically, Bybee pleaded guilty in connection with his involvement in a scheme to defraud the United States Department of Education and the Citibank Student Loan Corporation in Pittsford, New York of federal student loan funds, in violation of 20

U.S.C. §1097, which carries a maximum of five years imprisonment and a \$250,000 fine.

Assistant U.S. Attorney Richard A. Resnick, who is handling the case, stated that Shane Bybee was initially charged with respect to his role in a scheme to fraudulently obtain federal student loans in connection with alleged attendance at eligible post-secondary foreign institutions. According to the indictment, between October 2001 and June of 2003, Shane Bybee submitted twelve fraudulent federal loan applications using his name, his brother's name and his mother's name requesting approximately \$220,000 in federal student loan proceeds. Each of the applications submitted to Citibank were fraudulent in that they falsely represented that Shane Bybee, his brother, Brian Bybee, and his mother, Diane Bybee, were enrolled or accepted for enrollment at the University of Oxford, New College, located in the United Kingdom.

The indictment further alleges that between June of 2003 and July of 2003, Shane Bybee submitted approximately 1,600 fraudulent federal student loan applications to Citibank requesting approximately \$29,600,000 and intended to submit another approximately 770 fraudulent federal student loan applications requesting approximately \$14,245,000 in federal student loan funds. Each of these applications were filed in the names of fictitious borrowers for their claimed attendance at various colleges in the United Kingdom.

Shane Bybee of Colorado Springs was arrested by OIG agents and Postal Inspectors on July 31, 2003 based upon a federal warrant issued by the United States District Court, Western District of New York.

United States Attorney Battle praised the investigative efforts and assistance of the United States Department of Education, Office of the Inspector General, and the United States Postal Inspection Service.

Sentencing for Bybee is scheduled for May 20, 2004, at 2:00 p.m. in front of the Honorable David G. Larimer.

\* \* \*